DAILY NEWS DIGEST BY BFSI BOARD

24 November 2025

ECONOMY

From feared 26% to actual 10%: JPMorgan economist explains why US tariff shock hasn't arrived yet: Actual tariff implementation in the United States has turned out to be far less potent than first feared, according to Sajjid Chinoy, Chief India Economist and Head of Asia Economics at JPMorgan. Speaking to Govindraj Ethiraj on The Core, Chinoy said the doomsday predictions made earlier in the year had not materialised because both the tariff rollout and the global economic backdrop shifted in unexpected ways. Calling the last few months "quite a puzzle," Chinoy said, "On liberation day, all economists said Armageddon is coming and here we are three quarters later with very strong growth." He added that those early forecasts assumed "all else being equal, and all else has not been equal." Chinoy pointed to two main factors behind the stronger-than-expected global growth. The first was the actual tariff trajectory. "On liberation day, the US President said effective tariffs will be close to 26% which was a ginormous increase from the 3% in 2024

(Business Today)

'Only major economy...': Harvard economist shows India outpacing US, Europe, China in post-Covid growth: Harvard economist Jason Furman has highlighted India's remarkable economic outperformance in a new comparative growth chart shared on X (formerly Twitter), offering one of the clearest visualisations yet of how major economies have fared relative to their pre-pandemic trajectories. "How some geopolitically relevant economies are doing relative to their pre-COVID trends," Furman wrote, posting a graph that compares real GDP as a percentage of pre-pandemic trends for the US, Euro Area, China, Russia and India from 2019 to Q3 2025. The US rebounded quickly, supported by aggressive fiscal interventions such as

the American Rescue Plan. Furman previously credited these measures with preventing “scarring” and helping push the US to about +2% above trend by 2025. Yet even this performance is overshadowed by India’s extraordinary ascent.
(Moneycontrol)

PM Modi pushes global AI safeguards at G20, warns against deepfake misuse: Prime Minister Narendra Modi on Sunday called for strict restrictions on the use of artificial intelligence (AI) in deepfakes, crime, and terror activities. PM Modi made the remarks during the third session of the ongoing G20 Summit in Johannesburg, South Africa. Highlighting the need for a global compact on AI to prevent misuse, PM Modi said it should be based on core principles of human oversight, safety by design and transparency.
(Business Standard)

BANKING & FINANCE

FinMin renews merger proposal of state-owned general insurance companies: The Finance Ministry is considering an earlier proposal to merge the three state-owned general insurance companies into a single entity, following their improved financial health, to achieve better efficiency and scale. The government infused Rs 17,450 crore between 2019-20 and 2021-22 in three PSU general insurance companies, namely Oriental Insurance, National Insurance and United India Insurance, to bring them out of financial distress. In the Budget for 2018-19, the then finance minister Arun Jaitley announced that the three companies; Oriental Insurance, National Insurance, and United India Insurance, would be merged into a single insurance entity. However, the government dropped the idea in July 2020, and the Union Cabinet rather approved a capital infusion of Rs 12,450 crore into the three general insurance companies.
(Moneycontrol)

Kotak Mahindra Bank seen as frontrunner in IDBI Bank sale as govt targets 2026 privatisation deadline: The long-delayed privatisation of IDBI Bank is witnessing renewed activity, with a fresh contender reportedly joining the race. According to a report by NDTV Profit, Kotak Mahindra Bank has expressed interest in acquiring a significant stake in the lender. The bank now appears alongside global investment firms Oaktree Capital and Fairfax, which were already seen as active suitors in earlier phases of the process. The NDTV Profit report highlights several challenges being examined by prospective bidders, the most significant being IDBI Bank's sizeable market capitalisation, which is currently around Rs 1 lakh crore. Acquiring a 60 percent stake at this valuation would require large upfront capital, making it a tough deal for most investors to execute purely with cash. However, Kotak Mahindra Bank, which has a market capitalisation of about Rs 4.14 lakh crore, may evaluate a part-equity, part-cash merger structure to make the acquisition financially feasible.
(Business Today)

Health insurers lose up to Rs 10,000 crore annually on fraud & abuse: BCG: India's health insurance system is losing around Rs 8,000–10,000 crore annually on claim-payout leakages arising from fraud, waste and abuse (FWA), according to a report by Boston Consulting Group (BCG) and Medi Assist Healthcare, the country's largest health insurance third-party administrator. The report notes that fraudulent practices and fake claims inflate premiums, erode insurer margins, and strain public resources. "Fraudulent behaviours, process inefficiencies, and policy violations have become embedded across the value chain. Rather than isolated incidents, these practices are now systemic and rising," the report said.
(Financial Express)

Banks raise ₹55k cr through certificate of deposits in Nov 14 fortnight: With deposit growth remaining sluggish and the credit–deposit ratio of commercial banks crossing 80 per cent, banks have ramped up their borrowing in the certificate of deposit (CD) market. In the fortnight ended November 14, CD issuances climbed to nearly Rs 55,000 crore—double the borrowings of the preceding two fortnights and the highest since the September 19 fortnight. According to RBI data, the total outstanding CDs issued at the end of November 14 stood at a record high of Rs 5.34 trillion. The last high was Rs 5.32 trillion back in the March 21 fortnight this year, as banks and financial institutions (FIs) raised over Rs 1.17 trillion through CDs as this period saw IndusInd Bank tapping the CD market aggressively, with its liquidity coverage ratio declining after its disclosure of discrepancies in its derivatives portfolio.

(Business Standard)

INDUSTRY OUTLOOK

US appeals court upholds $194.2 million damages against TCS in CSC case: Tata Consultancy Services (TCS) has received an adverse ruling from the United States Court of Appeals for the Fifth Circuit in its long-running trade secrets dispute with Computer Sciences Corporation (CSC), now part of DXC Technology, with the court upholding $194.2 million in damages against the Indian IT firm. In an exchange disclosure dated November 21, 2025, TCS said the Fifth Circuit affirmed the US District Court's damages award but vacated the permanent injunction that had barred TCS from using certain CSC materials. The appellate court has asked the Northern District of Texas, Dallas Division, to reassess the injunction in line with its directions.

(Moneycontrol)

Flyers may soon recover 80% fare for cancelling hours before flight as govt mulls insurance fix: India is preparing to roll out a system that could allow air passengers to reclaim a substantial portion of their ticket price, even if they cancel just hours before departure. The initiative, expected to launch within two to three months, aims to ease passenger concerns over losing money due to sudden plan changes, according to a report by The Times of India. Currently, passengers who cancel within the last three hours before a flight are treated as no-shows, forfeiting their entire fare. Refunds for verified medical emergencies exist but remain inconsistent and depend on individual airline discretion.

(Business Today)

Adani acquires Trade Castle Tech Park for ₹231 cr: An Adani group joint venture company has acquired infrastructure developer Trade Castle Tech Park, which owns sizeable land parcels, for ₹231.34 crore. AdaniConneX (ACX), a joint venture of Adani group flagship firm Adani Enterprises Ltd (AEL) and data centre operator EdgeConneX, has executed a share purchase agreement (SPA) on November 21, 2025, with Trade Castle Tech Park (TCTPPL) and Shree Naman Developers and Jayesh Shah (existing shareholders of TCTPPL) to acquire 100 per cent stake in TCTPPL, AEL said in a stock exchange filing.

(Business Line)

REGULATION & DEVELOPMENT

Labour codes: Trade unions raise red flag over modified retrenchment clause: The provision in the new labour codes notified on Friday to increase the threshold for requiring the government's approval for undertaking retrenchment, layoffs, and closure to 300 workers from 100 workers at present has drawn criticism from certain trade unions and observers. However, overly rigid labour laws have historically made firms wary of growing beyond certain sizes, as crossing low statutory thresholds exposes them to intrusive approvals, higher compliance burdens, and reduced flexibility in managing their workforce.

(Business Standard)

Bill to hike FDI in insurance sector to 100% to be tabled in winter session: The government proposes to introduce a bill to raise foreign direct investment in the insurance sector to 100 per cent in the upcoming Winter session of Parliament. The Winter session of Parliament is slated to begin on December 1 and continue till December 19. The session will have 15 working days. According to a Lok Sabha bulletin, the Insurance Laws (Amendment) Bill 2025, which seeks to deepen penetration, accelerate growth and development of the insurance sector and enhance ease of doing business, is part of the 10 legislations listed for the upcoming session of

the Parliament. Finance Minister Nirmala Sitharaman in this year's Budget speech, proposed to raise the foreign investment limit to 100 per cent from the existing 74 per cent in the insurance sector as part of new-generation financial sector reforms.
(Business Standard)

Centre approves increasing MGNREGA work limit to 150 days in J&K for FY26: The Centre has approved an increase in the number of person-days provided under the Mahatma Gandhi National Rural Employment Guarantee Act to 150 for Jammu and Kashmir, a move welcomed by Lieutenant Governor Manoj Sinha. The Department of Agriculture and Farmers Welfare had recommended extending the benefit of additional employment of 50 days over and above the 100 days per household under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in the flood, cloud burst, and landslide-affected areas of the Union territory for the 2025-26 financial year. In view of the likelihood of increased demand for employment on public works due to natural calamities, it has been decided to provide up to 50 days of additional employment over and above the 100 days per household in the affected rural areas of Jammu and Kashmir for FY 2025-26, an official release said.
(Business Standard)

FINANCIAL TERMINOLOGY

QUANTO SWAP

- A quanto swap is a cash-settled, cross-currency interest rate swap, where one of the counterparties pays a foreign interest rate to the other. The notional amount is denominated in the domestic currency. Interest rates may be fixed or floating.
- Because they depend on the currency exchange rate and differences in interest rates in those currencies, they are also known as differential, rate differential, or just "diff" swaps. Another name for these swaps could also be guaranteed exchange rate swap because they naturally embed a fixed currency exchange rate in the swap contract.

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RBI KEY RATES

Repo Rate: 5.50%
SDF: 5.25%
MSF & Bank Rate: 5.75%
CRR: 3.25%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 88.6402
INR / 1 GBP : 116.0791
INR / 1 EUR : 102.3209
INR /100 JPY: 56.4200

EQUITY MARKET

Sensex: 85231.92 (-400.76)
NIFTY: 26068.15 (-124.00)
Bnk NIFTY: 58867.70 (-480.00)

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